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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92055374
Party	Plaintiff Joel L. Beling d/b/a Supa Characters Pty Ltd
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Attachments	Petitioner's Response to Registrant's Motion to Dismiss.pdf (56 pages)(415936 bytes) Petitioner's Motion to Exceed the Page Limit in its Response to Registrants Motion to Dismiss.pdf (5 pages)(32970 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In re Registration No. 3,372,884 (COLORWORX)
Registered January 22, 2008

Opposition No. 91203884

Ennis Inc.

v.

Joel L. Beling d/b/a Supa Characters Pty Ltd

**PETITIONER'S RESPONSE
TO REGISTRANT'S MOTION
TO DISMISS**

Cancellation No. 92055374

Joel L. Beling d/b/a Supa Characters Pty Ltd

v.

Ennis, Inc.

PETITIONER'S RESPONSE TO REGISTRANT'S MOTION TO DISMISS

1. Petitioner, JOEL L. BELING d/b/a Supa Characters Pty Ltd, refers to Registrant's Motion to Dismiss ("the Motion") filed on August 27, 2012 and shows the Board as follows.

LEGAL STANDARDS

2. To survive a motion to dismiss, a complaint must "contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face." *See Ashcroft v. Iqbal*, 129 S.Ct. 1937, 1949 (2009) (quoting *Bell Atlantic Corp. v. Twombly*,

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550 U.S. 544, 570 (2009)). A pleading that “tenders naked assertions devoid of further factual enhancement,” or offers only “labels and conclusions” or a “formulaic recitation of a cause of action” fails to meet this standard and must be dismissed. See *id.* (quoting *Twombly*, 550 U.S. at 555-7). It is respectfully submitted that Petitioner’s Second Amended Petition to Cancel contains so much more than sufficient factual matter to state a claim for relief that Registrant has not only complained about the amount of factual matter but, because of the cornucopia of factual allegations, has been either unable or unwilling to attack the evidence supporting Petitioner’s allegations. See Docs #18 and #19.

**I. PETITIONER PROPERLY FILED THE CANCELLATION AND
REGISTRANT’S OBJECTIONS WERE WAIVED AND ARE
THEREFORE UNTIMELY**

3. In response to paragraph 1-4 of the Motion, Petitioner relies on Rules 13(e), 13(g), 15(a)(1)(A), 15(a)(2), 15(c)(1)(b) and 15(d) of the FRCP with respect to the filing of its counterclaim/cancellation:

Rule 13. Counterclaim and Crossclaim

...

(e) COUNTERCLAIM MATURING OR ACQUIRED AFTER PLEADING.

The court may permit a party to file a supplemental pleading asserting a counterclaim that matured or was acquired by the party after serving an earlier pleading.

...

(g) CROSSCLAIM AGAINST A COPARTY.

A pleading may state as a crossclaim any claim by one party against a coparty if the claim arises out of the transaction or occurrence that is the subject matter of the original action or of a counterclaim, or if the claim relates to any property that is the subject matter of the original action. The crossclaim may include a claim that the coparty is or may be liable to the crossclaimant for all or part of a claim asserted in the action against the crossclaimant.

Rule 15. Amended and Supplemental Pleadings

(a) AMENDMENTS BEFORE TRIAL.

(1) Amending as a Matter of Course. A party may amend its pleading once as a matter of course within:

(A) 21 days after serving it, or

(B) if the pleading is one to which a responsive pleading is required, 21 days after service of a responsive pleading or 21 days after service of a motion under Rule 12(b), (e), or (f), whichever is earlier.

(2) Other Amendments. In all other cases, a party may amend its pleading only with the opposing party's written consent or the court's leave. The court should freely give leave when justice so requires.

...

(c) RELATION BACK OF AMENDMENTS.

(1) When an Amendment Relates Back. An amendment to a pleading relates back to the date of the original pleading when:

...

(B) the amendment asserts a claim or defense that arose out of the conduct, transaction, or occurrence set out—or attempted to be set out—in the original pleading;

(d) SUPPLEMENTAL PLEADINGS. On motion and reasonable notice, the court may, on just terms, permit a party to serve a supplemental pleading setting out any transaction, occurrence, or event that happened after the date of the pleading to be supplemented. The court may permit supplementation even though the original pleading is defective in stating a claim or defense. The court may order that the opposing party plead to the supplemental pleading within a specified time.

4. Petitioner notes the difference between the date Petitioner filed its answer (March 4, 2012) and its Petition to Cancel (March 23, 2012) is 19 days, well within the permissible 21-day limit for amendment of pleadings under Rule 15(a)(1)(A) of the FRCP. At that time, Registrant, represented by experienced legal counsel who exercised their independent professional judgment, did not raise any objections regarding failure to properly file the petition to cancel. "If the objection which is one that could have been cured promptly, and was not timely raised, the objection is deemed to be waived." *See*

TBMP § 707.02(b). *See Beech Aircraft Corp. v. Lightning Aircraft Co.*, 1 USPQ2d 1290 (TTAB 1986) (defect of failing to append copy of printed publication identified in notice of reliance could have been cured); *Board of Trustees of the University of Alabama v. BAMA-Werke Curt Baumann*, 231 USPQ 408, 409 n.3 (TTAB 1986) (petitioner's objection that respondent's justification for reliance on its own discovery responses was insufficient raised for first time in petitioner's brief was untimely since defect is one which could have been cured if raised promptly); *Colt Industries Operating Corp. v. Olivetti Controllo Numerico S.p.A.*, 221 USPQ 73, 74 n.2 (TTAB 1983) (objection that items submitted by notice of reliance were neither official records nor printed publications raised in brief sustained); *Quaker Oats Co. v. Acme Feed Mills, Inc.*, 192 USPQ 653, 655 n.9 (TTAB 1976) (objection to notice of reliance as to statement of relevance of third-party registrations untimely); and *Manpower, Inc. v. Manpower Information Inc.*, 190 USPQ 18, 21 (TTAB 1976) (objection that notice of reliance failed to indicate relevance of materials was curable and should have been raised when notice was filed). Accordingly, Registrant impliedly consented to the manner in which Petitioner filed the pleading. Thus, Registrant's objections in the Motion, raised only once the validity of its registration was challenged by fraud allegations, are untimely and therefore, deemed to be waived.

5. Petitioner filed an Amended Petition to Cancel in response to Registrant's Motion for More Definite Statement or, in the Alternative, Motion to Strike, filed on May 7, 2012. [See Doc. #7.] In this Motion, Registrant again failed to object to the manner in which the pleading was filed, and thus impliedly consented.

6. When Petitioner filed a Motion to Amend Pleading to include a fraud allegation, not only did Registrant not object to the way in which the pleading was filed, but it did not even oppose the motion. On this basis, and pursuant to Rule 15(a)(2), the Board gave Petitioner leave to amend his Petition to Cancel to allege legally sufficient grounds for cancellation.

7. The reason Petitioner filed his fraud allegations some time after filing the original Petition to Cancel is that approximately six weeks of the Discovery period had elapsed when, on the basis of Registrant's refusal and failure to answer Petitioner's legitimate Discovery requests, Petitioner formed the view that Registrant and its attorneys were corrupt and were concealing evidence of fraud. [See Doc. #17 and Doc. #18.] Petitioner was particularly concerned about Registrant's refusal to produce documents pertaining to the financial health of its COLORWORX mark and design, such as sales figures, geographical data, and advertising and marketing budgets and revenue, which, coupled with Registrant's 103-year experience in manufacturing business forms, led Petitioner to form the view that Registrant had cooked its books and committed trademark fraud. As of the date of this filing, Registrant has still failed to disclose this information and much more sought by Petitioner under the FRCP Discovery Rules. [See Doc. #17]. Petitioner draws the Board's attention to the many similarities between Ennis Inc and the Enron Corporation, which also used its expertise in a particular industry to commit fraud on a massive scale. *See Jeffrey Skilling v. United States*, No 11-674.

8. Thus, pursuant to Rules 15(c)(1)(b) and 15(d) of the FRCP, Petitioner submits that it filed its Second Amended Petition to Cancel as soon as Petitioner became aware of Registrant's and Registrant's attorney's allegedly corrupt and fraudulent conduct. In

addition, Petitioner notes that Registrant waived its objections to the way in which Petitioner filed its pleadings not once, but twice, and any objections it now relies on are untimely.¹ A Registrant alleged to have committed trademark fraud cannot, it is submitted, raise objections which should have been raised at the time they were pleaded. Finally, it is submitted that in the light of evidence submitted to the Board, the interests of justice require that Petitioner's pleadings be ruled legally sufficient.

**II. PETITIONER'S PETITION TO CANCEL WITH RESPECT TO
COUNTS I-III ATTACK REGISTRANT'S MARK AS A WHOLE AND
ARE LEGALLY SUFFICIENT ACCORDING TO MULTIPLES RULES
OF THE FRCP**

9. In response to paragraphs 5-14, 27 and 30-35 of the Motion, Petitioner relies on the pleadings as alleged in its Second Amended Petition to Cancel. [See Doc. #18.] Petitioner submits that there is ample factual enhancement of the cause of action with respect to both elements of Registrant's Mark, the word COLORWORX and the design element, and that Registrant submissions are inaccurate, misleading, misconceived, and wrong as a matter of law. As Registrant itself submits in its Motion, Civil Procedure Rule 8 expressly states, in relevant part:

- (a) Claim for Relief. A pleading that states a claim for relief must contain:
- (2) a short and plain statement of the claim showing that the pleader is entitled to relief . . .
- (d) Pleading to Be Concise and Direct; Alternative Statements; Inconsistency.
- (1) In General. Each allegation must be simple, concise, and direct.

¹ See, *supra*, ¶ 4.

Petitioner's pleading pertains to Registrant's mark as a whole in numerous specific, concrete factual allegations which more than adequately support the claim for relief. For example, the references to equivalents of the word COLORWORX and the design element, references to dictionary definitions, and reasons for Registrant's Mark's genericness, descriptiveness and incapability of functioning as a trademark. Indeed, these ample factual allegations are encapsulated in "simple, concise and direct" statements, as required by the FRCP. Under the pleading rules, it is trite to say that a Petitioner need not allege its entire case, chapter and verse, in its pleading.

10. In addition, it is submitted that Petitioner's pleadings are also legally sufficient under Rule 11 of the FRCP. Under Rule 11(b), Petitioner is entitled to file a pleading "after an inquiry reasonable under the circumstances." Petitioner has made such an inquiry by relying on all sources available to it, including the Internet, dictionaries, and the USPTO public databases. At every turn, Registrant has frustrated, obstructed and hindered Petitioner's legitimate attempts to discover information about the COLORWORX mark and design, harassing Petitioner with its frivolous Opposition proceeding, and causing unnecessary delay and needlessly increasing the cost of litigation by refusing and failing to comply with Petitioner's Discovery requests. [See Doc. #17.] Petitioner should not be prejudiced by Registrant's misconduct and Registrant should not benefit from its own misconduct.

11. Furthermore, it is submitted that Petitioner's allegations in its pleadings comply with Rule 11(b)(3) of the FRCP:

the factual contentions have evidentiary support or, if specifically so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery.

It is submitted that, as pleaded, Petitioner's factual contentions have evidentiary support (indeed Registrant conceded as much [*See* Doc. #19 ¶¶ 12-13]), and will have *further* "evidentiary support after a reasonable opportunity for further investigation or *discovery*" (emphasis added). In this proceeding, as a result of Registrant's almost absolute refusal and failure to disclose any information about its Mark, including sales, marketing and advertising figures, Petitioner has been denied procedural fairness and the right to a fair trial. It is utterly reprehensible and professionally unethical for Registrant to move to have Petitioner's pleadings dismissed while absolutely refusing to comply with Petitioner's legitimate discovery requests, especially when those requests also pertain to an opposition proceeding which Registrant itself initiated.

12. More specifically, in response to paragraphs 33 and 34 of the Motion with respect to genericness, Petitioner notes Registrant's allegation that Petitioner's claims "fail to...allege the proper relevant public to whom the Mark has become generic" and that the "general public" is an incorrect and improper relevant public on the basis of "blanket conclusion" and "indistinguishability." Petitioner refers the Board to Registrant's (Opposer's) Answer to Request Numbers 5, 26 and 35 of Applicant's First Request for Admissions dated June 11, 2012, in which Registrant *admits* offering printed goods and printing services to the general public in color or in black and white, admits the general public's aural comprehension of the word "ColorWorx" derives from its high exposure to Registrant's business and/or works of color and printing services, and *admits* that Registrant has built up such a reputation in its mark that if the general public heard the compound word "ColorWorx" (without seeing Opposer's logo), they would be likely to think of and connect this word with Opposer's business and/or goods and services:

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REQUEST NO. 5: Opposer offers printed goods and printing services to the general public in color or in black and white.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: Admit (emphasis added).

REQUEST NO. 26: The general public's aural comprehension of the word "ColorWorx" derives from its high exposure to Registrant's business and/or works of color and printing services.

RESPONSE: Admitted to the extent the request has any bearing on Registrant's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 35: Opposer has built up such a reputation in its mark that if the general public heard the compound word "ColorWorx" (without seeing Opposer's logo), they would be likely to think of and connect this word with Opposer's business and/or goods and services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: Admit (emphasis added).

13. In addition, Registrant has Opposed Applicant with respect to international class 41 goods and services in Opposition No. 91203884, relying on its COLORWORX mark and design. [See Doc. #1.] Petitioner's (Applicant's) applied-for goods and services primarily relate to media content including feature films, television shows, internet services and entertainment services which is viewed not solely by customers of printed goods and printing services, but rather by the general public en masse. Either Registrant (Opposer) and its legal counsel have filed a frivolous, bad-faith Opposition with respect to international class 41 goods and services, or Registrant and its legal counsel had bona

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fide, good-faith concerns regarding Petitioner's (Applicant's) intent to trade using its COLOR WARS mark as applied to goods and services involving entertainment services marketed to the *general public*.

14. In response to paragraph 35 of the Motion, Petitioner notes that the USPTO, not Petitioner, first raised the issue of "distinguishable variations of the phrase used in Registrant's Mark" with Registrant in the examination phase of Registrant's attempts to register the COLORWORX mark and design. In particular, in the USPTO's Office Action dated March 10, 2006 with respect to serial number 78698743, the USPTO drew Registrant's attention to the mark in Registration No. 1978461 which, at that time, was likely to cause confusion, mistake or deception pursuant to *In re Dupont*:

The examining attorney refuses registration under Trademark Act Section 2(d), 15 U.S.C. §1052(d), because the applicant's mark, when used on or in connection with the identified services, so resembles the mark in U.S. Registration No. 1978461 as to be likely to cause confusion, to cause mistake, or to deceive. TMEP §§1207.01 et seq. See the enclosed registration.

The examining attorney must analyze each case in two steps to determine whether there is a likelihood of confusion. First, the examining attorney must look at the marks themselves for similarities in appearance, sound, connotation and commercial impression. *In re E. I. DuPont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (C.C.P.A. 1973).

The applicant's mark is COLORWORX and design. The registrant's mark is COLORWORKS (typed). The marks are identical in sound, meaning, and commercial impression. The slight different in appearance of the marks, namely applicant's mark ending with the letter "X" and registrant's mark ending with the letter "S" does not traverse a finding of a likelihood of confusion. The marks here are phonetic equivalents. Although applicant's mark has a design component, the design here does not significantly alter the commercial impression of the mark. When a mark consists of a word portion and a design portion, the word portion is more likely to be impressed upon a purchaser's memory and to be used in calling for the goods or services. Therefore, the word portion is normally accorded greater weight in determining likelihood of confusion. *In re Dakin's Miniatures Inc.*, 59 USPQ2d 1593, 1596 (TTAB 1999); *In re Appetito Provisions Co.*, 3 USPQ2d 1553 (TTAB 1987); *Amoco Oil Co. v. Amerco, Inc.*, 192 USPQ 729 (TTAB 1976); TMEP §1207.01(c)(ii).

Second, the examining attorney must compare the services to determine if they are related or if the activities surrounding their marketing are such that confusion as to origin is likely. *In re August Storck KG*, 218 USPQ 823 (TTAB 1983); *In re International Telephone and Telegraph Corp.*, 197 USPQ 910 (TTAB 1978); *Guardian Products Co., v. Scott Paper Co.*, 200 USPQ 738 (TTAB 1978). TMEP §§1207.01 et seq.

The applicant's services are "printing services" in International Class 40. The registrant's services are "color separation services" in International Class 40. The services are related, namely those who provide printing services often perform color separation in the printing process. Please see the attached Webopedia entry for "color separation."

Because the marks are virtually identical in sound and appearance and the services provided are related, the similarities among the marks are so great as to create a likelihood of confusion among consumers as to the source of the services. The examining attorney must resolve any doubt regarding a likelihood of confusion in favor of the prior registrant. *In re Hyper Shoppes (Ohio), Inc.*, 837 F.2d 463, 6 USPQ2d 1025 (Fed. Cir., 1988). TMEP §§1207.01(d)(i).

15. In response to this analysis, Registrant went to great pains in its Response to Office Action dated September 11, 2006 to distinguish its mark from the mark cited by the USPTO. Petitioner respectfully points out that this issue was raised in 2006, a full six years before Registrant decided to oppose Petitioner's COLOR WARS application. It is submitted that the USPTO's concerns as reproduced above, also support Petitioner's pleadings.

16. *If Petitioner's current pleadings in Counts I-III are legally insufficient, it is submitted that Registrant has waived its right to the protections afforded by section 1057(b) of the Trademark Act with respect to a mark as a whole by claiming on oath exclusive rights to portions of its Mark, intending Petitioner, the USPTO, the TTAB, the Federal Circuit Court of Appeals and the general public to rely on its claims.*

In particular, as regards apportionment, Registrant makes the following submissions in paragraphs 13, 18, 19 and 35 of the Motion:

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13. Clearly, Registrant's Mark never intended to use the words "Color" or "Works" separately, nor did Registrant intend to use a correct English spelling of the word "works."

18. Not once has Registrant represented to Petitioner or the USPTO that it desires to register, or has registered, marks specifically and individually for the red and gray cross-hair design element without the word COLORWORX as a whole...

19. Likewise, Registrant has never represented to Petitioner or the USPTO that it desires to register, or has registered, marks specifically and individually for the terms "Color", "Works", "Color Works", "Works of Color", "Colorworks", or any other variation of the term beyond that for which Registrant possesses a valid registration, i.e., COLORWORX.

35. Registrant's Mark contains the phrase COLORWORX—not "Color Works" [Doc. #18, ¶¶ 10, 11, 14, 17, 18, 19, and 20], or separate words "color" and "works" [Doc. #18, ¶¶ 11, 12, 13, 17, 18, 19, and 20].

17. Petitioner submits that these are blatant false statements on a material fact in issue and that Registrant intends to deceive and mislead the Board. Petitioner draws the Board's attention to Registrant's responses to Petitioner's Requests for Admissions in this proceeding (*See Exhibit A*), in which Registrant, in different responses weeks apart, repeatedly and consistently claims exclusive rights to the words "Color," "Worx," "Works," thereby opening the door to, and admitting the validity of, Petitioner's apportionment argument:

REQUEST NO.8: Opposer does not claim exclusive right to use of the word "color" in relation to printed goods and printing services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: *Denied* to the extent the request has any bearing on Opposer's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO.14: Opposer does not claim exclusive right to use of the word "works" in relation to printed goods and printing services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: *Denied* to the extent the request has any bearing on

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Opposer's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 10: Registrant claims the exclusive right to use the letters "C-o-l-o-r" in Registrant's Registration.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 11: Registrant claims the exclusive right to use of the word "Works" in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 36: Registrant claims the exclusive right to use of the word "Worx" in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant's rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 15: Registrant claims the exclusive right to use of the word "Worx" in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant's rights in and to its registered COLORWORX mark (emphasis added).

18. In the above Requests, Registrant was given the opportunity to distinctly deny that it did not claim exclusive rights to the words "color," "works," and "worx," which are of course apportioned parts of Registrant's COLORWORX mark. On the contrary, not only did Registrant fail to distinctly deny the claim to exclusive rights to these apportioned words, but it *expressly admitted* in four separate answers that it claimed exclusive rights to apportioned parts of its Mark. In other words, Registrant did the opposite of that which is provided for in section 1057(b) of the Trademark Act with respect to a mark as a whole by claiming on oath exclusive rights to portions of its Mark, intending Petitioner, the USPTO, the TTAB, the Federal Circuit Court of Appeals and the general public to rely on its claims. This unilateral fragmentation and division of

portions of Registrant's Mark, *by Registrant*, therefore waives or ousts any statutory rights that Registrant has in respect of the assessment of Registrant's Mark as a whole when considering the legal sufficiency of genericness, descriptiveness, and incapability-of-functioning-as-a-trademark allegations.

19. Thus, it is respectfully submitted that, in light of *Registrant's own claims to exclusive rights in apportioned parts of its Mark under oath*, Petitioner's apportionment argument in allegations of genericness, descriptiveness, and incapability-of-functioning-as-a-trademark, is the correct legal position and its pleadings are legally sufficient.

20. Moreover, Registrant cites the example of WESTLAW® and argues that, “[f]ollowing Petitioner's argument, one could presume that the mark of the legal database WESTLAW® should be cancelled because the words “west” and “law” are individually generic terms” [Doc. #19 ¶35]. This example is wholly misleading and irrelevant because the owners of the WESTLAW® mark have not claimed rights over the individual terms “west” and “law” as Registrant has done with the phrase COLORWORX, and because there were not literally dozens of prior uses of the phrase “WESTLAW” in existence when the current owners of the WESTLAW mark applied to register the mark, as was the case when Registrant applied to register the COLORWORX mark and design. [See Doc. #18].

21. Finally, Registrant has the temerity to allege that Petitioner “attempts to hide the ball from the Board” [See Doc. #19, ¶ 35] by raising issues which the *USPTO* first raised with Registrant in the examination phase,² implying that Petitioner has in some way been dishonest in its dealings with the Board. Petitioner draws the Board's attention to Registrant's correspondence to Petitioner dated June 28, 2012, in which Registrant,

² See, *supra*, ¶ 14.

unsolicited, stated that Registrant and its legal counsel “would prefer not to involve the TTAB in this matter” [*See* Doc. #17 Exhibit 25]. It is submitted that this reference alone gives rise to an inference of fraud because a Registrant with clean hands would not be fearful of Board scrutiny. Thus, there is ample evidence to support a claim for genericness, descriptiveness, and incapability of functioning as a trademark, and therefore, Petitioner’s pleadings in Count I, Count II, and Count III should be ruled legally sufficient.

**III. PETITIONER’S ALLEGATIONS IN COUNT IV(A) OF ITS
PETITION TO CANCEL ARE EITHER LEGALLY SUFFICIENT AS
PLEADED, OR, IF LEGALLY INSUFFICIENT, REGISTRANT HAS
WAIVED ITS RIGHT TO THE PROTECTIONS AFFORDED BY
§§ 1057(B) AND 1064(3) OF THE TRADEMARK ACT, OR EXISTING
LAW IS BAD LAW AND SHOULD BE REVERSED AND/OR NEW LAW
ESTABLISHED**

22. In response to paragraphs 7-23 of the Motion, Petitioner respectfully submits that: firstly, Registrant has either misinterpreted the current legal position; or secondly, if Petitioner’s current pleadings in Count IV(A) are legally insufficient, that Registrant has waived its right to the protections afforded by sections 1057(B) and 1064(3) of the Trademark Act with respect to a mark as a whole by claiming on oath exclusive rights to portions of its Mark, intending Petitioner, the USPTO, the TTAB, the Federal Circuit Court of Appeals and the general public to rely on its claims; or thirdly, that the existing law is bad law and leads to a number of unintended and nefarious consequences for the

USPTO, appellate courts at both state and federal level and current trademark owners, and accordingly, should be reversed and/or new law established.

23. *Registrant has misinterpreted the current legal position*

With regard to the first argument listed above, Petitioner submits that it has complied with the requirements of the sections 1057(B) and 1064(3) of the Trademark Act and focused on Registrant's Mark in its entirety. In particular, Petitioner submits that his arguments in Count IVA of his Petition to Cancel do in fact address both elements of Registrant's Mark: the COLORWORX mark and the design element, albeit in separate allegations. Petitioner submits that so long as the Registrant's Mark in its entirety is shown to be based on other marks with prior rights to Registrant, then the fraud allegation is legally sufficient.

24. *If Petitioner's current pleadings in Count IV(A) are legally insufficient, it is submitted that Registrant has waived its right to the protections afforded by sections 1057(b) and 1064(3) of the Trademark Act with respect to a mark as a whole by claiming on oath exclusive rights to portions of its Mark, intending Petitioner, the USPTO, the TTAB, the Federal Circuit Court of Appeals and the general public to rely on its claims.*

In particular, as regards apportionment, Registrant makes the following submissions in paragraphs 13, 18, 19 and 35 of the Motion:

13. Clearly, Registrant's Mark never intended to use the words "Color" or "Works" separately, nor did Registrant intend to use a correct English spelling of the word "works."

18. Not once has Registrant represented to Petitioner or the USPTO that it desires to register, or has registered, marks specifically and individually for the red and gray cross-hair design element without the word COLORWORX as a whole...

19. Likewise, Registrant has never represented to Petitioner or the USPTO that it desires to register, or has registered, marks specifically and individually for the terms "Color", "Works", "Color Works", "Works of

Color”, “Colorworks”, or any other variation of the term beyond that for which Registrant possesses a valid registration, i.e., COLORWORX.

35. Registrant’s Mark contains the phrase COLORWORX—not “Color Works” [Doc. #18, ¶¶ 10, 11, 14, 17, 18, 19, and 20], or separate words “color” and “works” [Doc. #18, ¶¶ 11, 12, 13, 17, 18, 19, and 20].

25. Petitioner submits that these are blatant false statements on a material fact in issue and that Registrant intends to deceive and mislead the Board. Petitioner draws the Board’s attention to Registrant’s responses to Petitioner’s Requests for Admissions in this proceeding [*See Exhibit A*], in which Registrant, in different responses weeks apart, repeatedly and consistently claims exclusive rights to the words “Color,” “Worx,” “Works,” thereby opening the door to, and admitting the validity of, Petitioner’s apportionment argument:

REQUEST NO.8: Opposer does not claim exclusive right to use of the word “color” in relation to printed goods and printing services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: *Denied* to the extent the request has any bearing on Opposer’s rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO.14: Opposer does not claim exclusive right to use of the word “works” in relation to printed goods and printing services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: *Denied* to the extent the request has any bearing on Opposer’s rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 10: Registrant claims the exclusive right to use the letters “C-o-l-o-r” in Registrant’s Registration.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant’s rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 11: Registrant claims the exclusive right to use of the word “Works” in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant’s rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 36: Registrant claims the exclusive right to use of the word “Worx” in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant’s rights in and to its registered COLORWORX mark (emphasis added).

REQUEST NO. 15: Registrant claims the exclusive right to use of the word “Worx” in relation to printed matter and printing services.

RESPONSE: *Admitted* to the extent the request has any bearing on Registrant’s rights in and to its registered COLORWORX mark (emphasis added).

26. In the above Requests, Registrant was given the opportunity to distinctly deny that it did not claim exclusive rights to the words “color,” “works,” and “worx,” which are of course apportioned parts of Registrant’s COLORWORX mark. On the contrary, not only did Registrant fail to distinctly deny the claim to exclusive rights to these apportioned words, but it *expressly admitted* in four separate answers that it claimed exclusive rights to apportioned parts of its Mark. In other words, Registrant did the opposite of that which is provided for in sections 1057(b) and 1064(3) of the Trademark Act with respect to a mark as a whole by claiming on oath exclusive rights to portions of its Mark, intending Petitioner, the USPTO, the TTAB, the Federal Circuit Court of Appeals and the general public to rely on its claims. This unilateral fragmentation and division of portions of Registrant’s Mark, *by Registrant*, therefore waives or ousts any statutory rights that Registrant has in respect of the assessment of Registrant’s Mark as a whole when considering the legal sufficiency of fraud allegations.

27. Thus, it is respectfully submitted that, in light of *Registrant’s own claims to exclusive rights in apportioned parts of its Mark under oath*, Petitioner’s apportionment

PETITIONER’S RESPONSE TO REGISTRANT’S MOTION TO DISMISS

argument in trademark fraud allegations is the correct legal position and its pleadings are legally sufficient.

28. If the Board does not agree with Petitioner's submissions above, Petitioner submits that: *Existing law is bad law and leads to a number of unintended and nefarious consequences for the USPTO, TTAB, appellate courts at both state and federal level and current trademark owners, and accordingly, should be reversed and/or new law established.* Petitioner relies on Rule 11(b)(2) of the FRCP:

Rule 11. Signing Pleadings, Motions, and Other Papers; Representations to the Court; Sanctions

(b) REPRESENTATIONSTOTHE COURT. By presenting to the court a pleading, written motion, or other paper—whether by signing, filing, submitting, or later advocating it—an attorney or unrepresented party certifies that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances:

...

(2) the claims, defenses, and other legal contentions are warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law.

29. Petitioner submits that the existing law, cited in depth by Registrant, is bad law and should be reversed and/or new law established. Few would disagree with the propositions that trademark fraud cases seldom come before the courts and that trademark fraud law is in a constant state of flux. From *Medinol Ltd. v. Neuro Vasx Inc.*³ through *In re Bose Corp.*⁴ to *Qualcomm Inc. v. FLO Corp.*⁵, the standard of proof for proving fraud in procuring a trademark registration has changed like Melbourne's weather. With each new precedential case, the intellectual property legal community has waxed lyrical over the new ruling like

³ 67 USPQ2d 1205 (TTAB 2003).

⁴ 91 USPQ2d 1938 (Fed. Cir. 2009).

⁵ 93 USPQ2d 1768, 1770 (TTAB 201).

the second coming, as if clarity, meaning and certainty are finally provided- until the next fraud case. Petitioner submits that the present cancellation proceeding is both a test case and a golden opportunity for the Board to make a precedential ruling to redress some glaringly obvious black holes and inconsistencies in trademark fraud law, which are illustrated by Registrant's conduct with respect to its COLORWORX mark and design.

30. For illustrative purposes, according to Registrant's submissions on the construction of sections 1057(b) and 1064(3) of the Trademark Act in trademark fraud cases, the following hypothetical registered marks and goods and services (assuming they slipped through the USPTO examination net) would be immune from fraud prosecution under current trademark law on the basis that the mark as a whole is not fraudulent.



Figure 1. Distorted Golden Arches/"Just Do it" Mark for Footwear



Figure 2. McDonald's z/Swoosh Mark for Restaurant Services

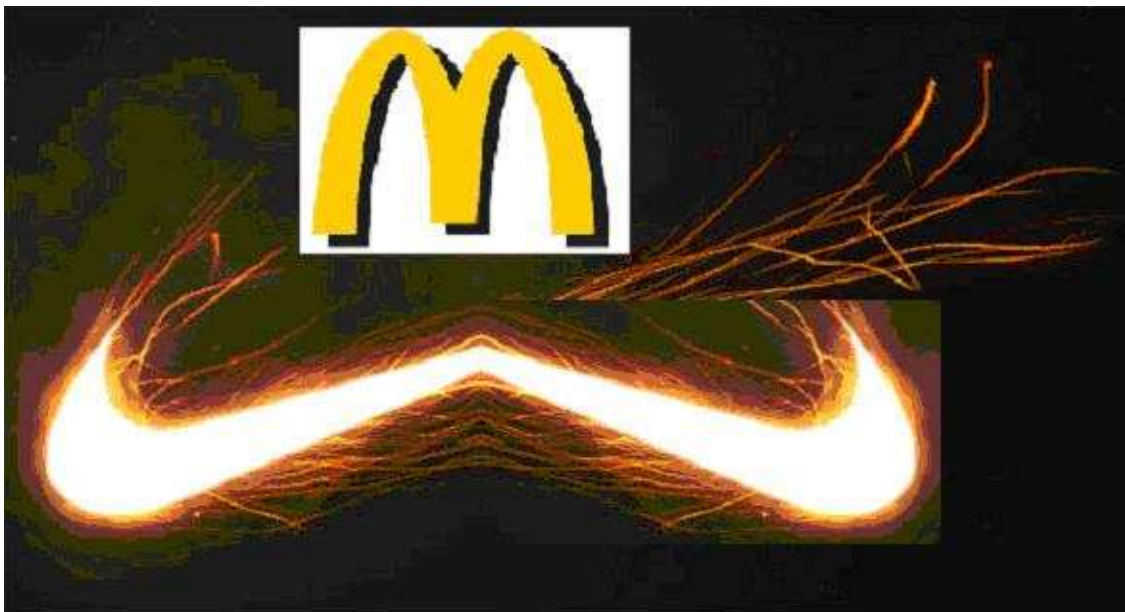


Figure 3. Golden arches/Mirrored-imaged Swoosh Mark for Restaurant Services

PETITIONER'S RESPONSE TO REGISTRANT'S MOTION TO DISMISS

Just do it, cos i'm lovin' it

Figure 4. "Just do it, cos I'm lovin' it" word mark for Footwear



Figure 5. Playboy Bunny with One Ear/Mercedes-Benz Mark for Magazines



Figure 6. Mercedes-Benz Logo/Plaiboy Mark for Cars



Figure 7. Distorted Mercedes-Benz Logo/Playboy Bunny Logo Mark for Cars

31. Petitioner urges the Board to draw on its experience to infer how the Macdonald's Corporation, Nike, Inc., Playboy Enterprises, Inc., and Mercedes-Benz would respond to claims regarding the validity of the above marks. Petitioner submits that these corporations would vigorously oppose the above marks on the basis of likelihood of confusion, mistake and deception, and of course, fraudulently procuring a trademark registration.

32. Petitioner submits that, contrary to sections 1057(b) and 1064(3) of the Trademark Act, Plaintiffs should be permitted to apportion allegations of fraud in registering a mark. In this matter, this would mean Registrant's COLORWORX Mark and the design element. The rationale for this position is the public policy ground that if apportionment was precluded, the existing law would give potential trademark applicants carte blanche to cut and paste or mix and match registered marks, or parts of registered marks, in order to create what is effectively a *mosaic*

trademark, that is, a trademark comprised of portions of valid and in-force registered marks.⁶ The mosaic trademark, under existing law cited by Registrant, would be deemed to be valid and in force because, as Registrant submits, the *mark as a whole* is not identical to or confusingly similar with a mark with greater rights than Registrant's (applicant's) as applied to specific goods and services.

33. Registrant claims that its Registration is valid because the USPTO approved its application and issued it a certificate of registration for the COLORWORX mark and the design element. It is axiomatic that the USPTO trusts applicants and accepts without question the declaration they submit in respect of the originality of their mark with respect to the applied-for goods and services. The USPTO is not a suspicious, resource-rich investigative agency like the FBI, DEA or CIA which conduct in-depth background checks on subjects within its portfolio of responsibility. Rather, it is a trusting, resource-poor office whose primary purpose is the protection of the consumer. The USPTO accepts applications for registration, together with the applicant's declaration, at face value, and on this basis the Office issues a certificate of registration for the mark as applied to certain goods and services and the mark, like Registrant's Mark, is deemed *prima facie* valid. When a registered mark is challenged by allegations of fraud, the Registrant bears the onus of proving the validity of its mark.

⁶ Another analogy Petitioner invokes is that of a trademark quilt: If apportionment in trademark fraud allegations was prohibited, potential trademark applicants would have a judicial imprimatur to dishonestly stitch together a fraudulent trademark quilt from the cloth of registered marks. This trademark quilt, under existing law, would be ruled a valid and unique trademark immune from prosecution for fraud on the basis that the mark as a whole is not identical or confusingly similar with previous marks as applied to the same or closely related goods and services.

34. To date, as submitted in Petitioner's Motion to Compel Discovery Responses [Doc. #17], Registrant has not even *produced* to Petitioner its declaration to the USPTO regarding the COLORWORX Mark and design! Quite the contrary, Registrant and its legal counsel have deceptively concealed every shred of evidence, including financial documents, they possesses concerning the COLORWORX Mark, despite an ongoing legal obligation to produce such documents. Indeed, they are so corrupt they would not even produce to Petitioner publicly available copies of Registrant's Annual Reports; instead, Petitioner was forced to act as a private investigator and search for information on Registrant's shady business dealings itself. Hence Petitioner's reference to Registrant's similarities with the Enron Corporation, which collapsed like a house of cards in one of the biggest frauds in international corporate history when subjected to audit. *See Jeffrey Skilling v. United States*, No 11-674.

35. While there are no authorities for the above apportionment arguments in the trademark fraud case law, it is respectfully submitted that support for Petitioner's position may be found in two other areas of law: first, in other intellectual property law, namely the United States Copyright Act and United States patent law; and second, from plagiarism law and leading universities' policies on plagiarism, since plagiarism has been described by a number of jurists and legal scholars as "intellectual fraud" and fraud in trademark law is essentially, it is submitted, a case of dishonest copying with an intent to deceive the USPTO.

36. With respect to similar intellectual property law, Petitioner refers the Board to two sources which expressly permit - indeed are predicated upon - the

apportionment. The first source is the United States Copyright Act, which defines a “derivative work” as follows:

A “derivative work” is a work based upon *one or more preexisting works*, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications, which, as a whole, represent an original work of authorship, is a “derivative work” (emphasis added).

Here, the reference to “one or more preexisting works” suggests that a person’s work is derived from or copied from an original work even if it is based upon multiple sources, as Petitioner has alleged Registrant’s Mark was based.

37. Petitioner also refers the Board to section 103 of the Copyright Act which pertains to the subject matter of copyright:

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to *any part of the work* in which such material has been used unlawfully (emphasis added).

This section clearly envisages no copyright protection for “parts of the work” which have been used unlawfully. It is submitted that Registrant’s use of both parts of its Mark were used unlawfully on the basis that other traders had preexisting rights to such parts, superior to Registrant’s.

38. Similarly, section 201, which pertains to Ownership of copyright, also explicitly foreshadows apportionment:

§ 201 . Ownership of copyright

(a) INITIAL OWNERSHIP. — Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are coowners of copyright in the work...

(d) TRANSFER OF OWNERSHIP. —

(1) The ownership of a copyright may be transferred *in whole or in part* by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.

(2) Any of the exclusive rights comprised in a copyright, including any *subdivision of any of the rights* specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, *to the extent of that right*, to all of the protection and remedies accorded to the copyright owner by this title (emphasis added).

It is submitted that the phrase “in whole or in part” specifically connotes and sanctions apportionment through the phrase “in part,” as do the phrases “subdivision of any of the rights” and “to the extent of the rights.” On this basis, it is submitted that trademark law too should be construed to apportion rights in a mark, and that Registrant, as it has effectively admitted in its Motion, has fraudulently appropriated the rights of other traders by using their marks to form a *composite or mosaic trademark*⁷ which is for all intents and purposes fraudulent.

39. Petitioner also relies on United States patent law to support its arguments relating to apportionment in trademark fraud. In particular, it refers the Board to the USPTO’s Manual of Patent Examining Procedure (MPEP), 35 U.S.C. 291 Interfering patents - Patent Laws, which states:

35 U.S.C. 291 Interfering patents.

The owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of validity of any of the interfering patents, *in whole or in part*. The provisions of the second paragraph of section 146 of this title shall apply to actions brought under this section (emphasis added).

Here again, the use of the phrase “in whole or in part” connotes a clear intent to apportion claims for relief, just as Petitioner has argued, and Registrant has claimed exclusive rights

⁷ See, *infra*.

to, apportioned parts of Registrant's Mark. Thus, it is submitted that sections 1057(b) and 1064(3) of the Trademark Act should be brought into line with both United States copyright law and United States patent law, such that apportionment is permitted with respect to the legal sufficiency of allegations involving fraudulently procuring a trademark registration.

40. Another body of law which supports the proposition that fraud can committed in respect of part of a particular work, is plagiarism law.⁸ Plagiarism is one of the most prevalent forms of dishonesty in academic settings and most if not all educational institutions have adopted formal plagiarism policies. Indeed the problem of plagiarism has been exacerbated in recent times by the advent of the internet, which has opened the door to a large body of information at the click of a mouse. Yet plagiarism is not simply an academic problem which is regulated and disciplined by educational institutions. The courts too, have had a number of opportunities to deal with this type of dishonesty. *See Feldman v. Bahn*, 12 F.3d 730 (7th Cir. 1993); *In re Cronyn*, 890 F.2d 1158 (Fed. Cir. 1989); *Newman v. Burgin*, 930 F.2d 955 (1st Cir. 1991); *Yu v. Peterson*, 13 F.3d 1413 (10th Cir. 1993). Plagiarism has been termed "intellectual fraud"⁹ and most of the elements of plagiarism are also present in intellectual property law in general and trademark fraud law in particular. These elements include an original work, a piece of work suspected of being copied, dishonest intent, passing off, and adverse consequences for both the original author and the individual or group who copied the work.

⁸ See also Geraldine Szott Moohr, *Federal Criminal Fraud and the Development of Intangible Property Rights in Information*, 2000 U. ILL. L. REV. 683, 687 (2000).

⁹ The University of Melbourne, "Academic Honesty and Plagiarism Policy," academichonesty.unimelb.edu.au/plagiarism.html, accessed on September 7, 2012.

41. Arguably the most persuasive treatise on the interplay between plagiarism and fraud was presented by Professor of law at Louisiana State University, Stuart Green.¹⁰ It is submitted that, on the basis of both plagiarism law and practise and Congress's recent trend in legislative enactments which expand the reach of intellectual property law, the Board can find Petitioner's pleadings with respect to fraudulently procuring a trademark legally sufficient even though they particularize only a *portion* of Registrant's Mark. Supporting this position, Professor Green writes:

V. Plagiarism as Theft and the Criminalization of Intellectual Property Law

Probably no area of criminal law has experienced more growth in recent years than intellectual property, at least in terms of legislative enactments. In the last two decades alone, Congress has criminalized both trademark infringement and theft of trade secrets; broadened the scope of criminal liability for copyright infringement; imposed criminal liability for the manufacture and sale of devices that can be used to circumvent technological protection measures; and made trademark counterfeiting, theft of trade secrets, and copyright violation predicate acts under both the money laundering and RICO statutes. On its face, none of this is surprising. Intellectual property plays an increasingly significant role in our economy. As intellectual property rights proliferate, it is reasonable to think that legislators will seek ways to protect those rights through various means, including criminal sanctions. Indeed, of the handful of commentators who have addressed the propriety of using criminal sanctions for intellectual property violations, most have simply assumed that the more prevalent the violation of intellectual property rights, the stronger the case for imposing criminal sanctions.¹¹

42. Professor Green notes that there is no clear-cut paradigm for approaching the complex issues intellectual property conflicts present, and that there may be a number of paradigms which offer a suitable theoretical lens through which to view such issues, including fraud:

The second issue is whether, and to what extent, the appropriate paradigm for intellectual property crime is "theft," rather than some alternative paradigm such as "infringement," "false marking," "counterfeiting," "forgery," or

¹⁰ Stuart Green. (2002). "Plagiarism, Norms, and the Limits of Theft Law: Some Observations on the Use of Criminal Sanctions in Enforcing Intellectual Property Rights." *Hastings Law Journal* (54) 167-242.

¹¹ *Id.*, 235-236.

“regulatory violation.”...Criminal statutes making it a crime to violate various rights in copyright, patent, and trademark regularly rely on paradigms other than theft—including “infringement,” “false marking,” “counterfeiting,” “forgery,” and “regulatory violation.” (*This is not even to mention the paradigm of “fraud,” which plays a large role in intellectual property crime, and which seems to exist somewhere on the borders of the theft paradigm.*) Despite the significance—both moral and doctrinal—of such paradigms, it is often difficult to determine why Congress chose to use one rather than another (emphasis added; footnotes omitted).¹²

43. It is submitted that the plagiarism paradigm is a viable and appropriate way in which to understand and evaluate Registrant’s acts and omissions in this matter as regards fraudulently procuring a trademark registration. Indeed, plagiarism is widely regarded by the vast majority of citizens, both in the United States and internationally, as morally wrong, despite the fact that the stolen property is intangible in nature. Professor Green observes:

Nothing is more intangible than the “credit” stolen by the plagiarist, and yet, as we have seen, the norms associated with plagiarism remain relatively robust, at least within the relevant communities. Indeed, the difference in people’s attitudes towards the norms of attribution and against plagiarism, on the one hand, and intellectual property law, on the other, suggests something of a paradox: Whereas intellectual property law (which, after all, *is* law) is regarded by the public as insufficiently grounded in norms, the mostly non-legalized norm of attribution and its corollary, the rule against plagiarism, are (at least within the relevant sub-communities) regarded as having something very closely approximating the force of law (hence, the repeated references to plagiarism as “theft,” “larceny,” “stealing,” and so forth). Thus, if we are to find an explanation for why levels of intellectual property law-breaking are so high, we need to look at least as much to the problem of perceived illegitimacy—i.e., the perception that many intellectual property laws are intended primarily “to create profits for special interest groups, such as [movie studios, record companies, television networks, and book publishers]”—as to the problem of intangibility.

44. Indeed, the doctrines underpinning plagiarism rules permeate a whole spectrum of laws, including intellectual property laws such as copyright, unfair competition and moral rights. It is

¹² See also, *supra*, Moohr.

submitted that adding trademark fraud law to this list is completely consistent with current Congressional, social and educational trends which view plagiarism as a great taboo from which a great many other social evils spring. Professor Green puts it this way:

Nor is the interest of plagiarism limited to purely criminal law. Although it is most commonly dealt with as an ethical, rather than legal, breach, the basic paradigm of unattributed copying is addressed by a remarkably broad range of civil remedies, including copyright, unfair competition, and moral rights. What this analysis has been intended to illustrate is both the ubiquity of the social norms that underlie the rule against plagiarism and the breadth of means through which such norms are enforced.¹³

45. Finally, Professor Green views plagiarism law and policy as a possible panacea to rescue intellectual property from a “growing crisis” of dishonesty and norm violation, which, it is submitted, Registrant’s acts and omissions with respect to procuring the registration of its COLORWORX Mark are a prime example:

Effective law is, above all, the product of effective norms. As the gap broadens between what the law is and what people think it should be, intellectual property law faces a growing crisis, one which manifests itself in the widespread and flagrant violation of its constraints. By contrast, the norm-based rule of attribution—despite some fraying around the edges—is still viewed, at least by those within the relevant communities, as imposing a powerful moral imperative. As we seek ways to make our intellectual property law more robust, we would do well to look to the normative structures surrounding plagiarism for guidance.¹⁴

46. Indeed, Professor Green is far from the sole champion of such views. Joss Saunders, an English lawyer working for the firm of Blake Lapthorn Tarlo Lyons, which specializes in handling plagiarism cases, also noted the commonalities between plagiarism and fraud:

Plagiarism covers a spectrum from word for word textual copying, through changing some words but retaining the basic structure, through to copying ideas and arguments. The common thread is that the copying is dishonest because it is unacknowledged....In extreme cases, this is plainly

¹³ Green, *supra*, 241.

¹⁴ *Id.*, 242.

fraud, such as where an academic article is submitted under the “author’s” name, only for the publisher to find that it is actually an exact copy of an article by another author previously published by another publisher. Such copying is with an *intention to deceive*, and may give rise to claims of fraud and misrepresentation...In other cases I have come across what is obviously *word for word copying, but in isolated phrases* (emphasis added).¹⁵

In the present matter, it is submitted that Registrant has intended to deceive the USPTO by copying the isolated phrase COLORWORX from a number of traders who had rights superior to Registrant’s.

47. Similarly, physician, Dr John Mayberry, also noted the interrelationship between plagiarism and fraud in the research context:

“Fraud and plagiarism are the death knell of research. They bring individuals, institutions, and academic journals into disrepute. Such authors have stepped beyond the pale of acceptable practice and, once there, can never return to clinical or scientific circles.”¹⁶

It is submitted that Registrant’s actions in copying its COLORWORX mark bring the USPTO into disrepute. In so doing, Registrant has “stepped beyond the pale of acceptable [commercial and legal] practise and, once there, can never return to...[commercial] circles.”

48. Likewise, The Association of American Universities drew a link between plagiarism and academic fraud and scientific misconduct, defining scientific fraud as:

1. falsification of data—ranging from fabrication to deceptively selective reporting, including the purposeful omission of conflicting data with the intent to falsify results. 2. *plagiarism—representation of another’s work as one’s own*. 3. misappropriation of other’s ideas—the unauthorized use of privileged information (such as violation of confidentiality in peer review) however obtained (emphasis added).¹⁷

¹⁵ Joss Saunders, *A Guide to Plagiarism and the Law*. Blake Lapthorn Tarlo Lyons: Oxford, 2007, pp.2-3.

¹⁶ John Mayberry, “Plagiarism and Fraud: The Death Knell of Research.” *Postgrad Med J* 2003; 79: 605.

¹⁷ “Academic Fraud and Scientific Misconduct.” <http://www.collegelegal.com/DeptChairExcerpt.pdf>; accessed September 7, 2012.

49. Thus, it is submitted that there is firm legal theoretical footing for the Board to permit apportionment in trademark fraud procurement cases relying on plagiarism law and doctrine. The following paragraphs elaborate on this argument.

50. Without delving into a description of plagiarism which may be found elsewhere, for the purposes of this proceeding Petitioner submits that a type of plagiarism known as “mosaic plagiarism,” “cutting and pasting,” “patch writing,” or “cobbling” is directly relevant and persuasive to the Board’s determination on the type of conduct which can constitute trademark fraud with respect to procurement of a trademark registration. In essence, this type of plagiarism involves one party misappropriating *part* of another party’s original work and passing it off as their own. Indeed, most if not all universities have adopted plagiarism policies specifically proscribing the practice because of its inherent dishonesty. Petitioner relies on all of the following examples which are reproduced from the plagiarism policies of leading educational institutions from both the United States and abroad to support this argument that trademark fraud with respect to procurement of a registration can occur if only *part* of previous mark is submitted to the USPTO for registration. Indeed Registrant’s Motion effectively admits that both *parts* of its mark (though not simultaneously) are confusingly similar and/or identical with other previously registered marks. *See* Doc. #19 ¶¶16-21.

51. Petitioner cites the *Harvard Guide to Using Sources: Harvard Plagiarism Policy*, published by the Harvard College Writing Program,¹⁸ with respect to “mosaic plagiarism.” In relevant part, Harvard’s Plagiarism Policy states:

¹⁸ <http://sites.harvard.edu/icb/icb.do?keyword=k70847&pageid=icb.page342054>; accessed September 7, 2012.

Mosaic plagiarism

If you copy bits and pieces from a source (or several sources), changing a few words here and there without either adequately paraphrasing or quoting directly, the result is *mosaic plagiarism*... if you've cut and pasted from your sources, you can lose track of the boundaries between your own ideas and those of your sources.¹⁹

It is submitted that Registrant wilfully and dishonestly copied “bits and pieces,” specifically two, from previous marks as particularized in Petitioner’s Second Amended Petition to cancel, and submitted a false declaration with the intent to deceive the USPTO into issuing a registration for the COLORWORX mark and design. Similarly, the Department of English at Penn State also proscribes mosaic plagiarism as a form of academic dishonesty:

Sometimes plagiarism is simple dishonesty... People who buy, borrow, or steal a paper to turn in as their own work know they are plagiarizing...*But plagiarism can be more complicated in act and intent.*

MOSAIC PLAGIARISM

This is a *more sophisticated* kind of plagiarism. The writer lifts phrases and terms from the source and embeds them into his or her own prose... Mosaic plagiarism...always looks thoroughly dishonest and will be judged as such (emphasis added).²⁰

It is submitted that Registrant’s mark “looks thoroughly dishonest” and should “be judged as such” on the basis that the COLORWORX mark and the design element are lifted from various sources to form a mosaic trademark, and that Registrant intended to deceive the USPTO into issuing a registration for its Mark.

52. Petitioner cites the Georgia State University Library Research Guide with respect to “Academic Honesty” for another reference to mosaic plagiarism, or “patch writing.”²¹

According to the guide:

¹⁹ *Id.*

²⁰ www.personal.psu.edu/faculty/m/x/mxj20/comm381/plagiarism.htm, Updated Jan. 1997; accessed September 7, 2012.

²¹ <http://research.library.gsu.edu/gsuacademichonesty>; accessed September 7, 2012.

Mosaic Plagiarism occurs when a student *borrowed phrases* from a source without using quotation marks...Sometimes called “patch writing,” this kind of paraphrasing, whether intentional or not, is academically *dishonest* and *punishable* (emphasis added).²²

It is submitted that Registrant has borrowed the phrase COLORWORX from one or more sources and then borrowed its design element from another source to form a mosaic trademark that is “dishonest and punishable.”

53. In similar vein, Kenyon College’s Plagiarism Policy details aspects of dishonesty highly relevant to the current issues before the Board:

Definition of Plagiarism

...Such misrepresentation is always plagiarism *no matter what kind of work is involved*. Plagiarism may occur in oral or *graphic* work as well as in *written* work...When you put your name on *a work of any kind*...and *submit it*...you thereby *certify that the content is your own* except where you have made specific and appropriate acknowledgment that some *parts* of the work have been borrowed from other sources. Again, learning from another artist, scholar, or fellow student is commendable, but to use the ideas or the *phraseology* of another person without such acknowledgment constitutes plagiarism...To reiterate: Whenever you have submitted, under your own name, work of any kind in which it can be proven that some *portion* of that work is not of your own creation or formulation, yet in which there is no formal acknowledgment of that fact, you have committed plagiarism.²³

It is submitted that the references to graphic work and written work, using another’s phraseology, certifying that the submitted content is one’s own, and the proof that even some portion of that work is not of one’s own creation (all of which constitute plagiarism), bear striking parallels to Registrant’s registration of the COLORWORX

²² *Id.*

²³ Kenyon College, *Academic Honesty and Questions of Plagiarism*; www.kenyon.edu/x11747; accessed September 7, 2012.

mark and design. Even if the whole work is not copied or plagiarized, it is still plagiarism and therefore dishonest if even a portion of the mark is copied.

54. Petitioner also refers to the Vanderbilt University plagiarism policy, which is discussed in “Getting Started With Your Research: A self-help guide to quality information.” According to the guide, which makes explicit reference to intellectual property:

Plagiarism occurs when you borrow another's words or ideas and do not acknowledge that you have done so. In this culture, we consider our words and ideas *intellectual property*: like a car or any other possession, we believe our words belong to us and cannot be used without giving credit.

Forms of plagiarism

Regardless of intent, all of the following constitute plagiarism:

- unacknowledged verbatim quotation (direct plagiarism)
- *mixing paraphrase and unacknowledged quotation (mosaic)*
- unacknowledged paraphrase and/or use of ideas
- *unacknowledged use of graphics*, tables, charts, or web pages (emphasis added).

Here, the link between intellectual property, mosaic plagiarism through the mixing of unacknowledged words and graphics is emphasized. Petitioner submits that Registrant engaged in precisely these dishonest practices when it mixed other users’ Colorworx, Color Worx, Color Works, ColorWorks marks with other users’ design element in order to create its own mosaic trademark to dishonestly induce the USPTO into issuing a trademark registration. Even more aggravating, Registrant used its expertise in manufacturing business forms to perpetrate the fraud.

55. Equally strict on stamping out plagiarism is the University of Texas, whose Student Judicial Services (SJS) regulate academic conduct and discipline academic misconduct. According to the SJS:

Plagiarism can occur with *all* types of media—scholarly or non-academic, published or unpublished—written publications, Internet sources, oral

presentations, illustrations, computer code, scientific data or analyses, music, art, and other forms of expression. Borrowed material from written works can include entire papers, one or more paragraphs, *single phrases*, or any other excerpts from a variety of sources such as books, journal articles, magazines, downloaded Internet documents, purchased papers from commercial writing services, papers obtained from other students (including homework assignments), etc.

The significant points here are that plagiarism can be committed in all types of media and with single phrases, which Petitioner argues Registrant has done with its COLORWORX mark and design element.

56. Similarly, Purdue University Calumet also acknowledges mosaic plagiarism as a part of in “dishonesty in connection with any University activity” in The Purdue Calumet Student Handbook. According to the Handbook, “Mosaic Plagiarism” entails:

Lifting ideas, phrases, and paragraphs from a variety of sources and joining them together without careful identification of their sources. The result is a mosaic of other people’s ideas and words.²⁴

Registrant has clearly lifted the phrase COLORWORX and its design element from a number of sources, and effectively admitted as much in its Motion. See [Doc. #]. It relies on existing law to save it from a Board ruling of fraud for a practice which is clearly dishonest in a wide variety of academic and formal settings.

57. Finally, according to Petitioner’s alma mater, The University of Melbourne, plagiarism may be defined as:

the act of representing as one's own original work the creative works of another, without appropriate acknowledgment of the author or source. (Creative works may include published and unpublished *written* documents...and *images*.)

Examples of plagiarism

Cutting or pasting statements from multiple sources or piecing together work of others and representing them as original work;

²⁴ Purdue University Calumet, *The Purdue Calumet Student Handbook*. webs.purduecal.edu/integrity/dishonesty/definitions-plagiarism/; accessed September 7, 2012.

...

Why is plagiarism so serious?

In not crediting the source, a person is guilty of *intellectual fraud*. It is unacceptable at all times; it is completely unacceptable at the University of Melbourne. If a student is found to have deliberately plagiarised the work of another - including copying the work of other students - the penalties are *severe* (emphasis added).²⁵

It is submitted that Registrant's actions with respect to its Mark constitute plagiarism, intellectual fraud and trademark fraud since it cut and pasted or pieced together the COLORWORX mark and design to deceive the USPTO into issuing a registration.

58. From Registrant's submissions in paragraphs 15-23 of the Motion, it seems Registrant is expressly conceding that it borrowed from other marks in the creation of its COLORWORX and design mark, but is relying on a legal technicality to escape a Board finding that there is a legally sufficient fraud allegation by Petitioner. It is submitted that Registrant's arguments that fraud in procuring a trademark registration ought only apply to a mark *as a whole* should be opposed on public policy grounds, because to rule in Registrant's favor would in effect give *carte blanche* to every potential trademark applicant to cut and paste or mix and match registered trademarks to create mosaics of unique, valid and enforceable trademarks which are immune from cancellation proceedings on the basis of fraud. In other words, it would open the floodgates to a torrent of bad faith trademark applications, which would in turn result in a surge of opposition proceedings by wronged trademark owners seeking redress, which would in turn overburden the Board and appellate courts at both state and federal level with unnecessary litigation.

59. In addition, Petitioner submits that it is simply bad law for the USPTO and the Courts to expect a higher standard of university students than that of trademark

²⁵ The University of Melbourne, *supra*.

applicants. Trademark applicants should face a higher threshold of honesty because ultimately, if dishonest practices forbidden in an academic setting are permitted to permeate and flourish in U.S. trademark laws and courts, then the biggest victims will be consumers, who will be deceived and exploited by the depredations of ruthless profiteers who wish to cash in on consumers' naiveté.

60. In response to paragraph 23 of the Motion, Petitioner submits that the existence of the Canadian ColorWorx company that it erroneously referred to as the "Californian" printing company offers cogent evidence that Registrant did *not* create the neologism ColorWorx and that the phrase *did* in fact have meaning prior to Registrant's adoption of it. In Petitioner's First Set of Interrogatories to Registrant served on June 12, 2012, Registrant was asked the following Interrogatory:

INTERROGATORY NO. 8: Describe in detail how the compound word "COLORWORX" in your registration differs from the words "Color Works" in terms of meaning, appearance, sound and commercial impression.

In Registrant's Objections and Answers to Petitioner's First Set of Interrogatories dated July 13, 2012, Registrant answered as follows:

The mark "COLORWORX" differs from the words "Color Works" in terms of meaning, appearance, sound and commercial impression because the mark "COLORWORX" is a neologism and had no meaning prior to its adoption by Registrant.

Moreover, Registrant claims that its Mark is only relevant to business in the United States. However, Registrant (Opposer) has claimed on oath in its Objections and Responses to Requests 11, 12 and 13 in Petitioner's (Applicant's) First Request for Production dated on June 11, 2012, that its COLORWORX-and-design brand conducts business "worldwide" through the "internet."

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REQUEST TO PRODUCE NO. 11:

Produce all documents and things relating to the geographic areas where services or works of color (including black and white) relating to Opposer's "COLORWORX" mark are advertised, marketed, sold, or promoted and the length of time each work of color (including black and white) or service has been advertised, marketed, sold, or promoted in each area.

Opposer's response was as follows:

Opposer is currently offering goods and services worldwide via the Internet and through qualified dealers. Opposer refers Applicant to Opposer's document production produced on May 24, 2012.

REQUEST TO PRODUCE NO. 12:

Produce all documents and things relating to the distribution channels through which work of color (including black and white) or services relating to Opposer's "COLORWORX" mark are advertised, marketed, sold, or promoted.

Opposer's response was as follows:

Opposer is currently offering goods and services worldwide via the Internet and through qualified dealers. Opposer refers Applicant to Opposer's document production produced on May 24, 2012.

REQUEST TO PRODUCE NO. 13:

Produce all documents and things relating to the classes of customers to whom You advertise, market, sell, or promote works of color (including black and white) or services relating to Opposer's "COLORWORX" mark.

Opposer's response was as follows:

Opposer is currently offering goods and services worldwide via the Internet and through qualified dealers. Opposer refers Applicant to Opposer's document production produced on May 24, 2012.

61. Therefore, even if the normal scope for limiting the Board's enquiry would be the territorial jurisdiction of the United States, Petitioner submits that Registrant's own claims under oath open the door to an investigation of the ColorWorx mark and its

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phonetic similarities “worldwide.” Finally, Petitioner notes that the Canadian COLORWORX company also has a logo which, when taken together with this company’s printing services, name and business starting date (around the same time as, if not before, Registrant’s), would certainly lead consumers to be confused, mistaken or deceived and give rise to the inference that Registrant copied the business model, including mark, of the Canadian company. Thus, on this basis it is submitted that all references to this Canadian company are legally sufficient with respect to trademark fraud.

**III. REGISTRANT MISSTATES PETITIONER’S ALLEGATIONS IN
COUNT IV(A)26-30 OF ITS PETITION TO CANCEL WHILE REFUSING
TO COMPLY WITH ITS LEGAL OBLIGATION TO DISCLOSE
RELEVANT EVIDENCE WHICH WOULD HELP SUPPORT OR REJECT
THE ALLEGATIONS**

62. In response to paragraphs 24 and 25 of the Motion, Petitioner notes that Registrant still, more than four months into the Discovery period, has *not* disclosed to Petitioner its declaration and the oath attached to Registrant’s application despite Petitioner’s Request for the Production of these and many other documents. *See* Doc. #17. Moreover, Petitioner’s allegations in Sections IV(A)26-30 of its Second Amended Petition to Cancel are *not* apportioned based on the COLORWORX mark and the design element; they thus pertain to Registrant’s Mark *as a whole*. If Registrant will not even produce its declaration and oath to Petitioner when there is an obvious legal obligation to do so, there is a clear inference of a consciousness of guilt and fraud. Registrant and its

current legal counsel, Chalker Flores, LLP, are clearly concealing evidence of trademark fraud. Petitioner notes that its pleadings with respect to Registrant's previous legal counsel, Mr. Conrad C. Pitts and Mr. Sean L. Collins, and Registrant, itself, are phrased in the alternative, a practice permitted pursuant to Rule 8(d)(3) of the FRCP:

8(d) PLEADING TO BE CONCISE AND DIRECT; ALTERNATIVE STATEMENTS; INCONSISTENCY.

...

(3) Inconsistent Claims or Defenses. A party may state as many separate claims or defenses as it has, regardless of consistency.

63. Thus, Petitioner submits that its allegations against Registrant's previous legal counsel, Mr. Conrad C. Pitts and Mr. Sean L. Collins, and Registrant, itself, are legally sufficient and, in the interests of justice, ought be permitted to stand in light of Registrant's complete refusal and failure to disclose documents relevant to Petitioner's allegations, namely, the declaration and oath which induced the USPTO to issue a registration for Registrant's Mark.

IV. REGISTRANT HAS PROVIDED NO EVIDENCE AND ONLY TWO PARAGRAPHS OF VERY WEAK ARGUMENT ATTACKING PETITIONER'S ALLEGATIONS IN COUNT IV(B)1-23 OF ITS PETITION TO CANCEL AND THUS SUCH ALLEGATIONS ARE LEGALLY SUFFICIENT

64. In response to paragraphs 26(a)²⁶ and 27 of the Motion, which pertain to the allegation that Registrant fraudulently *maintained* a trademark registration, Petitioner submits that Registrant's submissions are legally insufficient to found a motion to dismiss

²⁶ Registrant has mislabeled its Motion and included two sections labeled as "26." Petition has labeled these 26(a) and 26(b) for convenience.

and offer very little or no evidence attacking Petitioner's allegations. In contrast to Petitioner's allegations concerning the fraudulent procurement of a trademark registration - which Registrant attacked, albeit weakly, with some particularization - Registrant seems to have simply *ignored* 137 paragraphs [Doc. #18 , §§ 234-370] of Petitioner's allegations on the basis of "spar[ing] the Board an unnecessary repetition of Registrant's reasons for dismissal" [Doc. #19 , § 26a]. It seems that Registrant had simply *no* legally sufficient rebuttal to Petitioner's allegations and chose not to contest them. Indeed, Registrant is acutely aware that fraudulently *procuring* and fraudulently *maintaining* a trademark registration are two completely separate and distinct causes of action and that fraudulently maintaining a trademark registration is as serious an offence as fraudulently procuring one.

65. Each of Petitioner's allegations clearly particularizes how Registrant fraudulently maintained the "COLORWORX mark *and* design." In the case of the allegations against Mr. Jacks, Mr. Flores and Mr. Myer, Registrant's current legal counsel, the allegations are particularized down to a single Discovery question and Registrant's perjured response and Registrants' attorney's subornation of that perjured response.

66. As regards the intent required to sustain a legally sufficient trademark fraud allegation, Petitioner *never* uses the phrase "or should have known" in respect of Registrant or its three attorneys, which would have the legally insufficient effect of lowering the standard of proof for trademark fraud from intent to recklessness or gross negligence. *See In re Bose*, 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009). Petitioner always alleges an "intent to deceive the USPTO" as the case law requires.

67. As regards Registrant's assertion that "Sections IV(B)6-23 appear to demonstrate nothing more than Petitioner's dissatisfaction with the TTAB litigation discovery process," [Doc. #19 ¶ 26] Petitioner asks the Board to take judicial notice of the fact that perjury, subornation of perjury, transgressing the FRCP [*see* Doc. #17], and violating state and federal rules and codes on professional ethics are not part of the standard "TTAB litigation discovery process" [Doc. #19 ¶ 26].

68. In respect of "references to other phonetic variations of the phrase 'Color Works'" [Doc. #19 ¶ 26]], Petitioner draws the Board's attention to Registrant's response to Registrant's (Opposer's) Answers to Request Numbers 10 and 18 of Applicant's First Request for Admissions dated June 11, 2012, in which Registrant *admits* the phonetic similarities between its Mark and the words "works" and "color works:"

REQUEST NO. 10: The word "Worx" has the same or substantially similar sound as the word "works."

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: Admit (emphasis added).

REQUEST NO. 18: The compound word "ColorWorx" has the same or substantially similar sound as the words "color works."

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. Subject to, and without waiving, the foregoing objections, Opposer answers as follows: Admit (emphasis added).

Thus, it is respectfully submitted that Petitioner's references to phonetically similar uses of Registrant's COLORWORX mark are relevant, specific and legally sufficient to found a finding of trademark fraud.

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69. In respect of Registrant's repeated reference to Petitioner's misunderstanding of the origins and business practices of the Canadian COLORWORX company, Petitioner relies on its response in paragraphs 60 and 61 of this document which are referred to and incorporated herein.

70. As to Registrant's claims that Petitioner's allegations are insufficiently particularized [*see* Doc. # 19, ¶ 27], Petitioner offers the following example to the Board concerning the creation of Registrant's mark, which is at the heart of this litigation.

When Registrant was first asked about the creation of its Mark in Petitioner's First Set of Interrogatories, it vehemently objected to answer the question, relying on four bases of objection:

INTERROGATORY NO. 12 was in the following form:

Identify each person who participated in the selection, design and adoption of the "COLORWORX" mark.

Opposer's answer was as follows:

Opposer objects to this Interrogatory as it is overbroad, harassing, irrelevant and not reasonably calculated to lead to the discovery of evidence admissible at trial.

INTERROGATORY NO. 13 was in the following form:

Describe in detail the role and contributions made that each person identified in Interrogatory number 12 played in the selection, design and adoption of the "COLORWORX" mark.

Opposer's answer was as follows:

Opposer objects to this Interrogatory as it is overbroad, harassing, irrelevant and not reasonably calculated to lead to the discovery of evidence admissible at trial.

INTERROGATORY NO. 14 was in the following form:

Describe in detail the rationale, philosophy and ideas behind the selection, design and adoption of each feature and/or part of the “COLORWORX” mark, including the logo, words, style of lettering, visual appearance, sound, compound/composite nature and misspelling.

Opposer’s answer was as follows:

Opposer objects to this Interrogatory as it is overbroad, harassing, irrelevant and not reasonably calculated to lead to the discovery of evidence admissible at trial.

INTERROGATORY NO. 15 was in the following form:

Describe in detail your understanding of the connections between each aspect of your answer to Interrogatory No. 14 and the works of color you sell, promote, advertise and distribute, including but not limited to business cards, letterhead, rack cards, postcards, brochures, and posters.

Opposer’s answer was as follows:

Opposer objects to this Interrogatory as it is overbroad, harassing, irrelevant and not reasonably calculated to lead to the discovery of evidence admissible at trial.

71. Then, when Registrant was asked about the nuances of its Mark in the Cancellation Petition, when it knew that its Mark could be cancelled and that fraud allegations could be found proven by the Board, Registrant answered as follows in response to Interrogatory No. 8 in Petitioner’s First Set of Interrogatories to Registrant served on June 12, 2012:

INTERROGATORY NO. 8: Describe in detail how the compound word “COLORWORX” in your registration differs from the words “Color Works” in terms of meaning, appearance, sound and commercial impression.

In Registrant’s Objections and Answers to Petitioner’s First Set of Interrogatories dated July 13, 2012, Registrant answered as follows:

The mark “COLORWORX” differs from the words “Color Works” in terms of meaning, appearance, sound and commercial impression because

the mark “COLORWORX” is a neologism and had no meaning prior to its adoption by Registrant.

72. Thus, Registrant’s story – and that is all it is, a fictional story – about the creation of its Mark has changed from “We will absolutely not answer any questions about the creation of our Mark” to “No, on second thought, we better answer questions about the creation of our Mark lest the Board finds we committed trademark fraud which will cause irreparable damage to our company’s reputation.” Registrant and its legal counsel have clearly committed perjury and subornation of perjury, respectively, because a) Registrant did *not* create the word COLORWORX, the mark having no meaning prior to its adoption by Registrant; and b), because if Registrant in fact *did* create the word COLORWORX, there would be no logical reason *not* to answer to this effect when first asked about it by Petitioner. Registrant has simply lied under oath, which is perjury, and Registrant’s legal counsel have suborned perjury by advising Registrant to so answer.

73. Furthermore, as if the above answers were not incriminating enough, Registrant and its legal counsel (who are by now implicated in this titanic trademark scam) have now changed their story a third time, by arguing in paragraph 20 of the Motion that:

General trademarking principals maintain that once a mark has been abandoned, the mark returns to the public domain and may be appropriated for use by other actors in the marketplace in accordance with basic rules of trademark priority. See 15 U.S.C. § 1115(b)(2); ITC Ltd. v. Punchgini, Inc., 482 F.3d 135, 147 (2d Cir. 2007). Once Creative Hairdresser’s, Inc. abandoned its mark in the year 2000, nearly eight (8) years before the USPTO issued a registration for the Mark, Registrant and all other persons and entities seeking to use such word mark were free to use the term “Colorworx” in commerce on or in connection with their goods or services [Doc. #19 ¶ 20].

Here, Registrant has now impliedly changed its story a *third* time from a vehement “We refuse to answer any questions about the topic,” to a certain “No, actually, we did create

it and the word had no meaning prior to our creation of it,” to an unreliable

“Um...err...actually, we did create it but it’s possible that we may have sorta, kinda, you know, copied it from another trader who had lost its rights to the mark. Um, you know that we’re legally allowed to copy another trader’s mark if they have abandoned it, don’t you? Err, we can even cite both statute law and case law to prove it. Honest, we’re not trademark fraudsters.”

74. Put simply, Registrant has lied so many times under oath to Petitioner, the USPTO, and to the Board regarding the creation of its Mark that it cannot get its story straight. And Registrant will be forced to commit perjury again (while Registrant’s legal counsel will suborn perjury again unless they advise Registrant to come clean and admit that it copied the COLORWORX mark and the design element from other traders and Registrant so answers) if the Board rules in favor of Petitioner in its Motion to Compel and Registrant is compelled to answer Interrogatories Numbered 12-15 from Applicant’s First Set of Interrogatories to Opposer [*See* Doc. #17].

75. The primary question for Registrant is simple:

How did you create your COLORWORX mark and the design element?

76. As regards the alleged “belittlement of Registrant’s and Registrant’s counsel for its alleged inability to conduct “simple” Google searches with “the competence of an eight-year-old child,” Petitioner was simply expressing his absolute frustration at the dishonest and evasive conduct of Registrant and its legal counsel from the inception of this proceeding. Petitioner refers the Board to Petitioner’s Motion to Compel [Doc. #17] and Petitioner’s Second Amended Petition to Cancel, especially Part IV(B) [Doc. #18]. Petitioner has worked as a lawyer in the state of Victoria, Australia for 10 years and has

interacted professionally with hundreds of lawyers over the course of his professional life. On the basis of Petitioner's six-month experience in dealing with Chalker Flores, LLP, as legal opponents, it seems as if the firm's culture may be encapsulated in the attitude, "It's okay to break the law and violate disciplinary rules so long as the judiciary and the State Bar of Texas don't find out about it."

77. In addition, in relation to the issue of internet searches and due diligence in particular, Petitioner refers the Board to Registrant's responses – or, more accurately, lack thereof – to Petitioner's Discovery Requests. As the Motion demonstrates, clearly Registrant and its attorneys possess advanced internet skills. However, Registrant's failure to give full and frank responses to Registrant's Discovery questions on the issue raise serious concerns regarding the validity of Registrant's Mark in general and trademark fraud in particular. Registrant's following responses demonstrate Registrant's and Registrant's legal counsel's complete evasiveness and deception regarding the creation of the COLORWORX Mark and the design element:

REQUEST TO ADMIT OR DENY NO. 38:

Prior to applying to the United States Trademark and Patent Office for registration of its mark, Opposer, by itself and through its attorneys and agents, conducted a thorough check and search of all commercial uses of the words "Color Works" and "ColorWorx" in the United States, including but not limited to internet searches and searches of the USPTO trademark database.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST TO ADMIT OR DENY NO. 39:

At the time it applied for registration of its mark with the United States Trademark and Patent Office, Opposer was aware and had knowledge that other traders outside the printing industry used the words "Color Works" and/or "ColorWorx" to indicate the origin of their goods and services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST TO ADMIT OR DENY NO. 40:

At the time it applied for registration of its mark with the United States Trademark and Patent Office, Opposer was aware and had knowledge that other traders in fields related to the printing industry used the words “Color Works” and/or “ColorWorx” to indicate the origin of their goods and services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST TO ADMIT OR DENY NO. 41:

At the time it applied for registration of its mark with the United States Trademark and Patent Office, Opposer was aware and had knowledge that other traders in fields closely related to the printing industry used the words “Color Works” and/or “ColorWorx” to indicate the origin of their goods and services.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

78. Further evidence in support of the allegation of fraudulently maintaining a trademark is Opposer’s Objections and Responses to Applicant’s Third Request for Admissions dated August 13, 2012. As shown below, Registrant and its legal counsel (despite a clear conflict of interest in Requests 96, 97 and 98 in light of Petitioner’s perjury and subornation of perjury allegations) seem averse to answering basic questions regarding the truthfulness of their discovery responses and rely on evasive, bad-faith cookie-cutter objections which serve to inculcate Registrant and its attorneys rather than exculpate them:

REQUEST NO. 93: All Opposer's responses to Applicant's Discovery requests to date have been true and correct in every particular.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST NO. 94: Opposer stands by all of, and would not like to change any of, its responses to Applicant's previous Discovery requests.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST NO. 95: At the time it made its Discovery responses to Applicant's previous Discovery requests, Opposer was aware that its responses and/or answers were on oath.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST NO. 96: The law firm of Chalker Flores LLP advised Ennis Inc of the seriousness, meaning and importance of avoiding the commission of perjury in its Discovery responses to Applicant.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST NO. 97: The law firm of Chalker Flores LLP advised Ennis Inc of the seriousness, meaning and importance of avoiding the commission of perjury in its Discovery responses to Applicant.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial.

REQUEST NO. 98: The law firm of Chalker Flores LLP gave legal advice to Ennis Inc in respect of responding to and/or answering Applicant's previous Discovery requests.

RESPONSE: Opposer objects to the request as it is irrelevant, harassing, and not reasonably calculated to lead to the discovery of evidence admissible at trial. *See Exhibit A.*

Petitioner submits that its pleadings in its Second Amended Petition to Cancel cannot be dismissed in the face of such blatantly evasive, deceptive and dishonest responses to such basic questions. Petitioner submits that, even though this proceeding does not involve a

PETITIONER'S RESPONSE TO REGISTRANT'S MOTION TO DISMISS

jury, any jury in the United States, *without knowledge of the claim*, would find against a defendant who answered Request No. 93 as Registrant did. Registrant's and its legal counsel's consciousness of guilt can be smelt from Melbourne, Australia.

79. In response to paragraph 26(b),²⁷ 27 and 29 of the Motion, Petitioner submits that Registrant has misunderstood the pleading Rules enshrined in the Federal Rules of Civil Procedure. Registrant cites rules which are applicable in regular, standard or non-special matters. As this proceeding involves allegations of trademark fraud (indeed many allegations of trademark fraud), it falls under the category of "Pleading Special Matters," Fraud or Mistake, provided for in Rule 9(b):

FRAUD OR MISTAKE; CONDITION OF MIND. In alleging fraud or mistake, a party must state with particularity the circumstances constituting fraud or mistake. Malice, intent, knowledge, and other conditions of a person's mind may be alleged generally.

As such, the usual prescriptions do not apply because fraud is a very serious allegation and Registrants, as a matter of law and of fairness, are entitled to know the precise allegations in respect of the fraud they have allegedly committed: *American Flange & Manufacturing Co. v. Rieke Corp.*, 80 USPQ2d 1397 (TTAB 2006), *Media Online Inc. v. El Clasificado Inc.*, 88 USPQ2d 1285 (TTAB 2008), and *Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478 (TTAB 2009). Indeed, as Registrant itself argues in the Motion:

the Federal Rules of Procedure impose a heightened pleading standard for such allegations. *See* Fed.R.Civ.P. 9(b); and *In re Bose Corp.*, 580 F.3d 1240, 1243 (Fed. Cir. 2009) ("A party seeking cancellation of a trademark

²⁷ Registrant has mislabeled its Motion and included two sections labeled as "26." Petitioner has labeled these 26(a) and 26(b) for convenience.

registration for fraudulent procurement bears a heavy burden of proof.”)

[Doc. # 18, ¶ 15].

It is respectfully submitted that Registrant’s submissions in the Motion are inherently contradictory and nonsensical, for on the one hand Registrant argues that Petitioner’s allegations should be dismissed for insufficient particularity [Doc. # 19 ¶ 7], while on the other, Registrant contends that Petitioner’s pleading is overparticularized [Doc. # 19 ¶¶ 26-29]. Which is it? Too short or too long?

80. Another reason justifying Petitioner’s 89-page pleading is that Plaintiffs making fraud allegations have even had their matters dismissed on the basis of insufficient particularity: *See, supra, American Flange & Manufacturing Co., Media Online Inc., and Asian and Western Classics B.V.*.

81. More importantly, Petitioner submits that its 89-page pleading is a direct result of Registrant’s own fraudulent acts and omissions. If Registrant had not committed fraud on the USPTO as particularized in Petitioner’s Second Amended Petition to Cancel, then there would be no need for an 89-page pleading. Petitioner submits that Registrant’s submissions with respect to the nature and length of pleadings under the FRCP are artificial and wrong as a matter of law, since, if correct, they lead to the absurd and farcical result that a corporation can commit as much fraud as it wanted, yet Plaintiffs were only able to allege a finite, artificial amount as prescribed by the FRCP pleading rules. Thus, it is respectfully submitted that Rule 9(b) of the FRCP, as well as Registrant’s own allegedly fraudulent conduct, necessitated the 89-page pleading and that this is entirely legally permissible given the serious nature of fraud allegations.

82. In response to paragraph 28 of the Motion, Petitioner notes Registrant's submission that Petitioner's "claims are nothing more than 34 pages of repeated copying and pasting of various companies that Petitioner alleges in some form or fashion share small characteristics in common with portions of Registrant's Mark." Petitioner submits that this "repeated copying and pasting of various companies" is in fact *direct evidence* of Registrant's fraud in procuring a trademark registration using the *Qualcomm* formula, albeit with respect to both portions of Registrant's Mark independently. *See Qualcomm Inc. v. FLO Corp.*, 93 USPQ2d 1768, 1770 (TTAB 201); TTAB Consolidated Order, # 13, ¶¶ 6-7. Petitioner submits that Registrant's argument is simply a disingenuous red herring thrown out to distract the Board from the fact that Registrant has gotten caught *in flagrante delicto* in the kitchen cooking the books with its past and current legal counsel on such a grand scale.²⁸

PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioner believes that the pleadings contained in its Second Amended Petition to Cancel are legally sufficient and prays that Registrant's Motion to Dismiss be dismissed with prejudice and that Petitioner be awarded all other relief to which it is entitled, both at law and in equity. Petitioner further submits that, as a matter of law, its Second Amended Petition to Cancel cannot be dismissed in its entirety because Registrant has not even addressed, let alone made cogent

²⁸ See Sara Marie Andrzejewski. (2011). "Leave Little Guys Alone!": Protecting Small Businesses From Overly Litigious Corporations and Trademark Infringement Suits." *Journal of Intellectual Property Law* 19, 117-142; Office of Governmental Affairs – United States Patent and Trademark Office, *Report to Congress: Trademark Litigation Tactics and Federal Government Services to Protect Trademarks and Prevent Counterfeiting* (April 2011).

submissions on, 137 paragraphs [Doc. #18 , ¶¶ 234-370] of Petitioner's allegations regarding fraudulently maintaining a trademark registration.

Dated: September 7, 2012

Respectfully submitted,

JOEL BELING

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Petitioner

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing PETITIONER'S RESPONSE TO REGISTRANT'S MOTION TO DISMISS was served on all parties, this the 7th day of September, 2012, by sending the same electronically through the Electronic System for Trademark Trials and Appeals ("ESTTA") and by email, as consented to by the Registrant's Attorneys, to the following:

Scott A. Meyer
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smeyer@chalkerflores.com

Thomas G. Jacks
CHALKER FLORES, LLP
tjacks@chalkerflores.com
ATTORNEYS FOR REGISTRANT

/s/ Joel L. Beling
Joel L. Beling

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In re Registration No. 3,372,884 (COLORWORX)
Registered January 22, 2008

Opposition No. 91203884

Ennis Inc.

v.

Joel L. Beling d/b/a Supa Characters Pty Ltd

**PETITIONER’S MOTION
FOR LEAVE TO EXCEED
THE PAGE LIMIT IN ITS
RESPONSE TO
REGISTRANT’S MOTION TO
DISMISS**

Cancellation No. 92055374

Joel L. Beling d/b/a Supa Characters Pty Ltd

v.

Ennis, Inc.

**PETITIONER’S MOTION FOR LEAVE TO EXCEED THE PAGE LIMIT IN
ITS RESPONSE TO REGISTRANT’S MOTION TO DISMISS**

To: Ennis Inc and TTAB.

Petitioner, JOEL L. BELING d/b/a Supa Characters Pty Ltd (“Petitioner”), pursuant to the Federal Rules of Civil Procedure, hereby files this Motion for Leave to Exceed the Page Limit in its Response to Registrant’s Motion to Dismiss, and would show the Board as follows:

1. Petitioner posted its Response to Registrant's Motion to Dismiss together with a Certificate of Mailing to the Trademark Trial and Appeal Board on September 8, 2012 through Australia Post because of technical difficulties preventing him from uploading said Motion through the Electronic System for Trademark Trial and Appeals.
2. Petitioner's Response to Registrant's Motion to Dismiss, not including the exhibit list, certificate of service and exhibits, is 55 pages in length, 20 pages over the prescribed word limit.
3. Petitioner respectfully seeks leave to exceed the page limit by 20 pages by reason of the egregious nature of Registrant's and Registrant's legal counsel's fraudulent conduct as particularized in Petitioner's Second Amended Petition to Cancel. Petitioner believes that Registrant's Motion to Dismiss is disingenuous, inaccurate, misleading and filed in bad faith in order to deflect the Board's attention away Registrant's and Registrant's legal counsel's fraudulent conduct and Registrant's willful refusal and failure to reply and cooperate with Petitioner's specific, narrowly tailored, highly relevant and probative Discovery Requests and Interrogatories, as particularized in Petitioner's Motion to Compel Discovery Responses.
4. Consistent with Rule 9(b) of the Federal Rules of Civil Procedure, Petitioner submits that greater particularity is required in Motions which involve allegations of fraud and the Board should afford parties greater latitude to argue their case.

5. Petitioner submits that Registrant has made a great many spurious and blatantly false submissions and allegations in its Motion to Dismiss and accordingly, Petitioner was required to go into some detail in rebutting them.

6. Another reason justifying Petitioner's 55-page Response is that Plaintiffs making fraud allegations have even had their matters dismissed on the basis of insufficient particularity: *See, supra, American Flange & Manufacturing Co., Media Online Inc., and Asian and Western Classics B.V.*

7. More importantly, Petitioner submits that its 55-page Response is a direct result of Registrant's own fraudulent acts and omissions. If Registrant had not committed fraud on the USPTO as particularized in Petitioner's Second Amended Petition to Cancel, then there would be no need for a 55-page Response.

8. Finally, Petitioner refers the Board to the substantive submissions made in its Second Amended Petition to Cancel and its Motion to Compel Discovery Responses as to Registrant's and Registrant's legal counsel's fraudulent, unethical and otherwise blameworthy conduct, which are incorporated herein by reference.

PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioner prays that Petitioner be granted leave to exceed the page limit by 20 pages in its Response to Registrant's Motion to Dismiss.

Dated: September 7, 2012

Respectfully submitted,

/joel beling/

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Petitioner

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **PETITIONER'S MOTION FOR LEAVE TO EXCEED THE PAGE LIMIT IN ITS RESPONSE TO REGISTRANT'S MOTION TO DISMISS DISCOVERY RESPONSES** was served on all parties, this the 7th day of September, 2012, by sending the same electronically through the Electronic System for Trademark Trials and Appeals ("ESTTA") and by email, as consented to by the Registrant's Attorneys, to the following:

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/s/ Joel L. Beling
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